

**DORMITORY AND DINING SERVICES REVENUE BOND FUNDS  
IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**INDEPENDENT AUDITOR'S REPORT  
FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION**

**JUNE 30, 2005**

## Table of Contents

		<u>Page</u>
Independent Auditor's Report		3-4
Financial Statements:	<u>Exhibit</u>	
Balance Sheet	A	6-7
Statement of Revenues, Expenditures and Changes in Fund Balances	B	8-9
Notes to Financial Statements		10-15
Supplemental Information:	<u>Schedule</u>	
Insurance Coverage	1	18
Student Resident Hall Occupancy	2	19
Student Enrollment	3	20
Staff		21



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

David A. Vaudt, CPA  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Independent Auditor's Report

To the Members of the Board of Regents,  
State of Iowa:

We have audited the accompanying balance sheet of the Dormitory and Dining Services Revenue Bond Funds of Iowa State University of Science and Technology as of June 30, 2005, and the related statement of revenues, expenditures and changes in fund balances for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As discussed in note 1, the financial statements present only the Dormitory and Dining Services Revenue Bond Funds and do not purport to, and do not, present fairly the financial position of Iowa State University of Science and Technology as of June 30, 2005 and changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Iowa State University of Science and Technology declined to present a statement of cash flows for the Dormitory and Dining Services Revenue Bond Funds for the year ended June 30, 2005. Presentation of such a statement summarizing the Dormitory and Dining Services Revenue Bond Funds operating, noncapital financing, capital and related financing and investing activities is required by U.S. generally accepted accounting principles.

In our opinion, except that the omission of a statement of cash flows results in an incomplete presentation as explained in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Dormitory and Dining Services Revenue Bond Funds of Iowa State University of Science and Technology as of June 30, 2005, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

In connection with our audit, nothing came to our attention that caused us to believe Iowa State University of Science and Technology was not in compliance with the accounting requirements of the Iowa State Board of Regents Resolution for the issuance of the Dormitory and Dining Services Revenue Bonds. It should be noted, however, our audit was not directed primarily toward obtaining knowledge of such non-compliance.

Iowa State University of Science and Technology has not presented Management's Discussion and Analysis for the Dormitory and Dining Services Revenue Bond Funds that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the financial statements.

This report, a public record by law, is intended solely for the information and use of the officials and employees of Iowa State University of Science and Technology, the members of the Board of Regents, citizens of the State of Iowa and other parties to whom Iowa State University of Science and Technology may report. This report is not intended to be and should not be used by anyone other than these specified parties.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information included as Schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in our audit of the financial statements and, accordingly, we express no opinion on it.

  
DAVID A. VAUDT, CPA  
Auditor of State

  
WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

September 30, 2005

## **Financial Statements**

Dormitory and Dining Services Revenue Bond Funds  
Iowa State University of Science and Technology

Balance Sheet

June 30, 2005

	Plant Funds		
	Unexpended	Renewals and Replacements	
	Construction Fund	Surplus Fund	Improvement Fund
<b>Assets</b>			
Cash and investments (note 2)	\$ 2,090,841	8,614,376	155,994
Cash with paying agents (note 3)	-	-	-
Accounts receivable, less allowance for doubtful accounts of \$67,908	-	1,103,185	-
Interest receivable	-	142,554	-
Inventories	-	1,381,047	-
Prepaid expense	-	50,780	-
Capital assets, net (note 4)	-	-	-
<b>Total assets</b>	<b>\$ 2,090,841</b>	<b>11,291,942</b>	<b>155,994</b>
<b>Liabilities and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ -	718,602	63,750
Compensated absences payable	-	1,167,076	-
Accrued salaries and wages	-	440,333	-
Interest payable	-	-	-
Deferred revenue	-	915,872	-
Revenue bonds payable (note 3)	2,088,773	-	-
Total liabilities	2,088,773	3,241,883	63,750
Fund balances:			
Net investment in plant	-	-	-
Reserved for debt service	-	-	-
Unreserved, designated for specific purposes	2,068	8,050,059	92,244
Total fund balances	2,068	8,050,059	92,244
<b>Total liabilities and fund balances</b>	<b>\$ 2,090,841</b>	<b>11,291,942</b>	<b>155,994</b>

See notes to financial statements.

Retirement of Indebtedness			
Reserve Fund	Sinking Fund	Investment in Plant	Total
10,202,658	-	-	21,063,869
-	6,791,155	-	6,791,155
-	-	-	1,103,185
-	-	-	142,554
-	-	-	1,381,047
-	-	-	50,780
-	-	134,281,865	134,281,865
10,202,658	6,791,155	134,281,865	164,814,455
-	-	-	782,352
-	-	-	1,167,076
-	-	-	440,333
-	3,276,155	-	3,276,155
-	-	-	915,872
9,953,736	3,515,000	118,817,491	134,375,000
9,953,736	6,791,155	118,817,491	140,956,788
-	-	15,464,374	15,464,374
248,922	-	-	248,922
-	-	-	8,144,371
248,922	-	15,464,374	23,857,667
10,202,658	6,791,155	134,281,865	164,814,455

Dormitory and Dining Services Revenue Bond Funds  
Iowa State University of Science and Technology

Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2005

	Current Funds		Unexpended Construction Fund
	Revenue Fund	Operation and Maintenance Fund	
Operating revenues	\$ 56,860,635	-	-
Operating expenditures (note 5)	-	(41,303,935)	-
Operating income before depreciation	56,860,635	(41,303,935)	-
Depreciation	-	-	-
Net operating revenue	56,860,635	(41,303,935)	-
Other revenues (expenditures):			
Repair and maintenance	-	-	-
Administrative expenses	-	(945,018)	-
Investment income	273,077	-	-
Net decrease in fair value of investments	(48,846)	-	-
Interest on indebtedness	-	-	-
Excess (deficiency) of revenues over (under) expenditures	57,084,866	(42,248,953)	-
Other financing sources (uses):			
Additions to capital assets	-	-	(2,084,545)
Book value of capital assets eliminated	-	-	-
Mandatory transfers	(10,567,310)	-	-
Non-mandatory transfers	(46,517,556)	41,885,941	-
Transfers (to) from other University funds	-	363,012	-
Transfer of revenue bonds payable	-	-	2,084,545
Total other financing sources (uses)	(57,084,866)	42,248,953	-
Net increase (decrease) for the year, as restated (note 6)	-	-	-
Fund balances beginning of year	-	-	2,068
Fund balances end of year	\$ -	-	2,068

See notes to financial statements.

Plant Funds							
Renewals and Replacements		Retirement of Indebtedness					
Surplus Fund	Improvement Fund	Reserve Fund	Sinking Fund	Arbitrage Reserve Fund	Investment in Plant		Total
-	-	-	-	-	-	-	56,860,635
-	-	-	-	-	-	-	(41,303,935)
-	-	-	-	-	-	-	15,556,700
-	-	-	-	-	(4,573,184)	-	(4,573,184)
-	-	-	-	-	(4,573,184)	-	10,983,516
(2,000,855)	(696,388)	-	-	-	-	-	(2,697,243)
(26,292)	-	-	-	(9,000)	-	-	(980,310)
-	-	-	-	-	-	-	273,077
-	-	-	-	-	-	-	(48,846)
-	-	-	(6,552,310)	-	-	-	(6,552,310)
(2,027,147)	(696,388)	-	(6,552,310)	(9,000)	(4,573,184)	-	977,884
(3,019,213)	(370,498)	-	-	-	5,474,256	-	-
-	-	-	-	-	(2,304)	-	(2,304)
-	500,000	-	10,067,310	-	-	-	-
4,258,615	364,000	-	-	9,000	-	-	-
(339,296)	(48,232)	-	-	-	249,759	-	225,243
-	-	-	(3,515,000)	-	1,430,455	-	-
900,106	445,270	-	6,552,310	9,000	7,152,166	-	222,939
(1,127,041)	(251,118)	-	-	-	2,578,982	-	1,200,823
9,177,100	343,362	248,922	-	-	12,885,392	-	22,656,844
8,050,059	92,244	248,922	-	-	15,464,374	-	23,857,667

Dormitory and Dining Services Revenue Bond Funds  
Iowa State University of Science and Technology

Notes to Financial Statements

June 30, 2005

**(1) Summary of Significant Accounting Policies**

Accounting Entity and Basis of Accounting

The Dormitory and Dining Services Revenue Bond Funds were created by resolutions of the Board of Regents, State of Iowa which authorized the issuance of revenue bonds to be used to defray the costs of constructing and furnishing dormitory system facilities on the campus of Iowa State University of Science and Technology. The revenue bonds are issued on behalf of the University.

The financial statements of the Dormitory and Dining Services Revenue Bond Funds of Iowa State University of Science and Technology (University) include only the financial position and operating activities of the Dormitory and Dining Services Revenue Bond Funds. These fund financial statements present only a portion of the funds of the University.

The financial statements have been prepared on the accrual basis.

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the University, the accounts of the University are maintained in accordance with the principles of "fund accounting" under which resources for various projects are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

The University's accounts and transactions include those related to the Dormitory and Dining Services Revenue Bonds issued by the University. These fund financial statements reflect only those accounts and transactions related to these bonds. These accounts and transactions are included as a portion of the University's Plant Funds. Plant Funds are used to account for the transactions relating to investment in University properties. Plant Funds include the following funds: (1) Unexpended, (2) Renewals and Replacements, (3) Retirement of Indebtedness and (4) Investment in Plant. Unexpended, including the Construction Fund established by the bond resolution, is comprised of amounts allocated or designated for construction of new dormitory and dining facilities. Renewals and Replacements, including the Surplus and Improvement Funds established by the bond resolution, is comprised of amounts allocated or designated for renewal or replacement of properties. Retirement of Indebtedness, including the Reserve, Sinking and Arbitrage Reserve Funds established by the bond resolution, is comprised of amounts to provide for payment of principal, interest and rebates. Investment in Plant is comprised of amounts representing the total of buildings and equipment, all net of accumulated depreciation and the related liabilities.

The Current Fund, including the Revenue and Operation and Maintenance Funds established by the bond resolution, is classified as a University Auxiliary Enterprise to account for transactions of substantially self-supporting activities that primarily perform a service to students.

#### Revenue Fund

The Revenue Fund is used to account for all financial resources except those to be accounted for in another fund. In accordance with the provisions and terms of the bond resolution, the excess of revenues over expenditures in the Dormitory and Dining Services Facilities (Facilities) is irrevocably assigned as collateral for the payment of the principal and interest on the bonds.

#### Operation and Maintenance Fund

The Operation and Maintenance Fund is used to pay the reasonable current expenses of operating the Facilities, excluding any University overhead expenses not primarily related to the day to day operations of the System, capital expenditures and allowances for depreciation.

#### Construction Fund

The Construction Fund accounts for the receipts of the bond proceeds, less the initial deposit required in the Reserve Fund. These proceeds are disbursed and used to pay project construction costs as required by the bond resolution.

#### Surplus Fund

The bond resolution provides all remaining net rents, profits and income of the Facilities are deposited to the Surplus Fund. Monies deposited to the Surplus Fund are used and applied to the payment of necessary operating and maintenance expenses whenever, for any reason, no other funds are available for such purpose, transferred and credited to the Sinking Fund to prevent or remedy a default in the payment of principal and interest on the outstanding bonds and credited to the Reserve Fund whenever any deficiency may exist.

#### Improvement Fund

The bond resolution provides semi-annual installments will be credited to the Improvement Fund from the net rents, profits and income of the Facilities remaining after first making the required payments into the Sinking and Reserve Funds in the sum of \$300,000 or a greater amount as determined by the Board of Regents, State of Iowa. All monies credited to the Improvement Fund are used to pay any extraordinary cost of maintaining the Facilities in an efficient operating condition and to pay the cost of purchasing or constructing buildings for use as residence halls and dining facilities.

#### Reserve Fund

The bond resolution provides semi-annual installments will be credited to the Reserve Fund from the net rents, profits and income of the Facilities remaining after first making the required payments into the Sinking Fund in the sum of \$100,000 or a greater amount as determined by the Board of Regents, State of Iowa. This fund is not to be funded by more than the annual debt service requirement. Whenever the amount in this fund equals or exceeds the maximum amount of principal and interest due in any fiscal year on these bonds, the amount of such excess may be transferred to the Improvement Fund or may be used to purchase or redeem bonds.

### Sinking Fund

The bond resolution provides equal semi-annual installments shall be set aside from the net rents, profits and income derived from the Facilities to the Sinking Fund sufficient for the principal and interest payment that will become due and payable on and prior to the next succeeding July 1.

### Arbitrage Reserve Fund

Moneys credited to the Arbitrage Reserve Fund shall be used for the payment of arbitrage rebates and related administrative expenses.

### Cash and Investments

The University deposits the cash of most funds in commingled bank accounts and makes disbursements from the combined cash balances. An individual fund's cash balance represents that fund's cumulative deposits to and disbursements from the University's bank accounts.

Investments are reported at fair value.

### Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market.

### Deferred Revenue

Deferred revenue represents student rents and fees collected in advance for periods subsequent to year end.

### Capital Assets

Capital assets are defined by the University as assets with an initial individual cost of more than \$5,000 for equipment or \$50,000 for buildings. Such assets are recorded at historical cost when purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Outlays for capital assets are capitalized as projects are constructed. During the year ended June 30, 2005 no interest costs were capitalized.

Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Equipment	5-12
Buildings	25-40

## **(2) Cash and Investments**

The University's deposits were covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. In the unlikely event a bank fails, the State Treasurer first determines the amount of the loss and validates the amount of applicable FDIC insurance. He is empowered by this chapter to cover the remaining loss from the state sinking fund for public deposits in banks. If the balance in the sinking fund is inadequate to pay the entire loss, he is empowered to make assessments against other banks to insure there will be no loss of public funds. Cash in

banks of \$907,318 is combined with other University funds. The money market balance for the Dormitory and Dining Services Revenue Bond Funds is \$3,201,191.

At June 30, 2005 the Dormitory and Dining Services Revenue Bond Funds had the following investments:

Investment Type	Fair Value
Fixed Income:	
U.S. Government Treasury Notes	<u>\$16,955,360</u>

Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations to the University. As of June 30, 2005, the Dormitory and Dining Services Revenue Bond Funds fixed income assets were 100% government guaranteed.

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of the University's investment in a single issue. Except for U.S. Government investments, no one issuer represents 5% or more of the total assets.

Interest rate risk is the risk changes in interest rates will adversely affect the fair value of an investment. This risk is managed within the portfolio using the effective duration. It is widely used in the management of fixed income portfolios in that it quantifies to a much greater degree the risk of interest rate changes.

Investment Type	Fair Value	Duration
Fixed Income:		
U.S. Government Treasury Notes	<u>\$16,955,360</u>	<u>1.42</u>

### (3) Revenue Bonds Payable

The bonds, originally issued in the aggregate for \$141,155,000, bear interest at rates ranging from 3.00% to 6.25% per year, payable semi-annually on January 1 and July 1. The bonds mature on July 1, in annual amounts as follows:

Year Ending June 30,	Principal	Interest	Total
2006	\$ 3,515,000	6,456,540	9,971,540
2007	3,700,000	6,264,954	9,964,954
2008	3,895,000	6,069,221	9,964,221
2009	4,100,000	5,866,209	9,966,209
2010	4,315,000	5,657,853	9,972,853
2011	4,530,000	5,446,799	9,976,799
2012	4,755,000	5,235,108	9,990,108
2013	4,980,000	5,018,015	9,998,015
2014	5,215,000	4,789,178	10,004,178
2015	5,465,000	4,545,419	10,010,419
2016	5,735,000	4,286,333	10,021,333
2017	6,015,000	4,012,033	10,027,033
2018	6,315,000	3,719,841	10,034,841
2019	6,630,000	3,408,318	10,038,318
2020	6,955,000	3,078,035	10,033,035
2021	6,065,000	2,759,242	8,824,242
2022	6,375,000	2,452,809	8,827,809
2023	6,710,000	2,129,176	8,839,176
2024	7,060,000	1,787,705	8,847,705
2025	7,425,000	1,427,464	8,852,464
2026	7,125,000	1,061,279	8,186,279
2027	6,505,000	713,734	7,218,734
2028	5,660,000	401,617	6,061,617
2029	3,895,000	161,184	4,056,184
2030	1,435,000	33,184	1,468,184
Total	<u>\$ 134,375,000</u>	<u>86,781,250</u>	<u>221,156,250</u>

Under the provisions of the bond resolution, these bonds, and additional parity bonds that may be subsequently issued, will be retired solely from the net rents, profits and income from the Dormitory and Dining Services Facilities of the University.

In accordance with the provisions of the bond resolution, all principal and interest maturing July 1 of each year shall be considered to be obligations of the then immediately preceding fiscal year. Therefore, such debt is reflected in the Sinking Fund.

At June 30, 2005, cash with paying agents of \$6,791,155 was on deposit in the Agency Fund of the University for the purpose of paying current obligations of bond principal and interest.

In accordance with the provisions of the bond resolution, the Dormitory and Dining Services system is to maintain a minimum debt service coverage ratio, (operating income before depreciation and investment income divided by annual debt service), of at least 1.35. The coverage ratios were 1.49 and 1.57 for the fiscal years ended June 30, 2004 and 2005, respectively.

#### (4) Capital Assets

The following is a summary of capital assets activity in the Investment in Plant Fund for Dormitory and Dining Services assets for the year ended June 30, 2005:

	Balance July 1, 2004	Additions	Transfers	Deletions	Balance June 30, 2005
Capital assets, nondepreciable:					
Construction in progress	\$ 29,791,928	5,534,924	(34,543,499)	-	783,353
Capital assets, depreciable:					
Buildings	162,879,818	-	34,543,499	(694,984)	196,728,333
Equipment	1,630,608	189,091	-	(2,304)	1,817,395
Capital assets, depreciable	164,510,426	189,091	34,543,499	(697,288)	198,545,728
Accumulated depreciation:					
Buildings	(60,197,585)	(4,434,107)	-	694,984	(63,936,708)
Equipment	(971,431)	(139,077)	-	-	(1,110,508)
Total accumulated depreciation	(61,169,016)	(4,573,184)	-	694,984	(65,047,216)
Depreciable capital assets, net	103,341,410	(4,384,093)	34,543,499	(2,304)	133,498,512
Total capital assets, net	\$ 133,133,338	1,150,831	-	(2,304)	134,281,865

Included in additions is \$152,589 from other University funds for the construction of buildings and \$97,170 for equipment purchases.

The cost of land used for Dormitory and Dining Services is not reflected on the balance sheet. This land is included in other accounts of the University.

**(5) Related Party Transactions**

The Dormitory and Dining Services Revenue Bond Funds utilize certain administrative services from the University. The statement of revenues, expenditures and changes in fund balances for the year ended June 30, 2005 includes charges for administrative overhead of \$945,018. In addition, in the course of operations, the Dormitory and Dining Services System provides services to and incurs intramural charges for other University funds. The revenues and expenditures related to these charges have not been separately identified.

**(6) Prior Period Adjustment**

The beginning fund balance of the Surplus Fund was reduced by \$1,552,112 to include the June 30, 2004 accumulated deficit of the Memorial Union dining activity previously excluded. Bond counsel has determined coverage requirements should include the revenues and expenditures of the Memorial Union dining, catering retail operation and vending operations. Accordingly, the Memorial Union dining has been included in the Surplus Fund.

**Dormitory and Dining Services Revenue Bond Funds**  
**Iowa State University of Science and Technology**

**Supplemental Information**

**Schedule 1**

Dormitory and Dining Services Revenue Bond Funds  
Iowa State University of Science and Technology

Insurance Coverage  
(Unaudited)

June 30, 2005

Insurer	Policy Number	Term of Policy	
		From	To
St. Paul Traveler	KTK-CMB- 544D989-2-04	7/1/2004	7/1/2005

Coverage	Buildings	Contents	Other
General property insurance with a \$100,000 deductible for each single loss. The coverage protects against the risks of fire, flood, business interruption and extended coverage for general loss.			
Barton Hall	\$ 2,878,480	99,275	-
Birch-Welch-Roberts	14,714,713	855,901	-
Elm-Oak	17,024,549	1,040,570	-
Freeman Hall	3,426,016	111,193	-
Friley Hall	45,212,022	3,053,212	-
Helser Hall	25,677,122	837,345	-
Knapp-Storm Halls	31,877,449	1,576,621	-
Linden	14,877,733	913,988	-
Lyon	2,985,007	105,310	-
Maple, Willow and Larch Halls	52,749,608	2,464,506	-
Wallace – Wilson Halls	33,212,645	1,789,953	-
Buchanan	11,638,449	314,570	-
Nickell	1,179,129	-	-
Union Drive Community Center	11,539,419	863,785	-
Union Drive Suite 1	12,729,600	899,641	-
University Village:			
Laundry Building	312,879	-	-
500 units	29,650,080	368,431	-
Schilleter Village, 64 - 4 unit buildings	25,756,137	833,269	-
Modular four-plex	408,827	6,035	-
Frederiksen Court	42,498,833	4,977,692	-
Service interruption - building rents	-	-	24,040,195
Total - residence	\$ 380,348,697	21,111,297	24,040,195

See accompanying independent auditor's report.

Dormitory and Dining Services Revenue Bond Funds  
Iowa State University of Science and Technology

Student Residence Hall Occupancy  
(Unaudited)

Year ended June 30, 2005

Type of Housing	Design Capacity July 1, 2004	Occupancy		
		Summer Semester 2004	Fall Semester 2004	Spring Semester 2005
Dormitory housing (1) (2)	6,741	159	5,518	5,062
Single student housing	2,213	656	2,085	1,942
Family housing	481	373	334	311
Total	9,435	1,188	7,937	7,315

1) Knapp Hall (298 beds) was taken off line in January 2004.

2) Buchanan Hall (412 beds) was put on line in summer 2004.

See accompanying independent auditor's report.

**Schedule 3**

---

Dormitory and Dining Services Revenue Bond Funds  
Iowa State University of Science and Technology

Student Enrollment  
(Unaudited)

Year ended June 30, 2005

Enrollment at Iowa State University of Science and Technology for the year ended June 30, 2005 was as follows:

Summer Semester, 2004	9,720
Fall Semester, 2004	26,380
Spring Semester, 2005	24,426

See accompanying independent auditor's report.

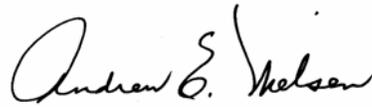
---

Dormitory and Dining Services Revenue Bond Funds  
Iowa State University of Science and Technology

Staff

This audit was performed by:

Kay F. Dunn, CPA, Manager  
Marc D. Johnson, Staff Auditor

A handwritten signature in black ink that reads "Andrew E. Nielsen". The signature is written in a cursive style with a large initial 'A' and 'N'.

Andrew E. Nielsen, CPA  
Deputy Auditor of State